

Journal - Office of Legislative Counsel
Thursday - 15 May 1975

Page 2

CONFIDENTIAL

[redacted] Accompanied [redacted] OCI, to a briefing of Jerome Levinson, Counsel, Subcommittee on Multinational Corporations, Senate Foreign Relations Committee, with Geoffrey Shields and another staff member in attendance. Their principal concern was over the practice of agent commissions being charged in Arab countries against purchases from U.S. corporations resulting in a U.S. tax deduction which is actually not supported by substantial service rendered and which enriches the favored few in those countries through a system of kickbacks.

[redacted] said that they had information that CIA had prepared a report on "corruption in Iran." [redacted] explained the agent role as evolution of the tribal system in the Middle East and the desire of the countries to protect themselves in dealing with foreigners. In response to a query, [redacted] indicated that the operation of the system is of common knowledge throughout Saudi Arabia. See [redacted] Memorandum for the Record for details and one follow-up item.

Shortly after this session, I ran into Levinson in Senator Dick Clark's (D., Iowa) office, who serves on the Multinational Corporation Subcommittee.

7. [redacted]

[redacted] arrangements for tomorrow's briefing by [redacted] OTR, of some 55 University students. I reviewed the groundrules with [redacted] and he had no problems with them and provided me with several points that he thought would be of greatest interest to them. [redacted]

[redacted] This particular group is generally juniors, seniors and graduate students interning with various Federal agencies and the Congress.

8. [redacted] Paul Goulding, Administrative Assistant to Senator Claiborne Pell (D., R.I.), called on behalf of a constituent, [redacted] a student at the University of Rhode Island. He speaks fluent Chinese and is interested in a position with the Agency. I told Goulding we would be glad to have our recruiter in the area contact [redacted] Office of Personnel, was provided the necessary information.

9. [redacted] Called Julie Marshall, in the office of Senator Dick Clark (D., Iowa) and confirmed Thursday, 22 May at 8:00 a.m. for the Senator to come out and have breakfast with the Director.

CONFIDENTIAL